JRM:lmp 11/6/07 P0962D PATENT

Remarks

Applicants respectfully request reconsideration of the application.

Claim 21 is provisionally rejected under the judicially created doctrine of obviousness type double patenting over claim 11 of co-pending U.S. Patent Application 10/893,149 (the '149 application). Applicants acknowledge this double patenting rejection but defer a response until claims issue for this or the '149 application. The Examiner is directed to the file of the '149 application in which an appeal brief, Examiner's answer and reply brief have been filed. Claim 11 of the '149 application currently stands rejected over Lawandy (20010037455) in view of Lewis (20020194476).

Claims 21-22 and 24-28 are rejected under 35 U.S.C. Section 102(b) as being anticipated by US Patent Publication 2001/0037455 to Lawandy et al. ("Lawandy").

Claims 23 and 31 are rejected under 35 U.S.C. Section 103(a) as being unpatentable over Lawandy in view of U.S. Patent No. 5,694,471 to Chen et al. ("Chen").

Claims 29 and 30 are rejected under 35 U.S.C. Section 103(a) as being unpatentable over Lawandy in view of PCT Publication WO/2001/095249 by Hudson et al. ("Hudson").

The rejection of claims 21-22 and 24-28 are based on the Office's contention that the physical characteristics in Lawandy (e.g., at paragraph 33) correspond to the claimed "jurisdictional information related to the document." However, Lawandy provides no teaching or even suggestion that the physical characteristics of the document convey jurisdictional information related to the document. The dependent claims include additional elements relating to the functional relationship of the jurisdictional information and the watermark that are even further distinguishable from the cited art.

The Office responds to this argument by further citing the following from Lawandy: "For example, a watermark may be printed within the substrate of a negotiable instrument which includes information regarding the value and the originator of the instrument." Lawandy at page 1, paragraph 0003. This passage refers to the content of the watermark, not the relationship between jurisdictional information and a watermark key used to extract the digital watermark. In other words, even if, for the sake of argument, an "originator" corresponds to the claimed jurisdictional information, Lawandy does not teach or suggest that the originator data is used to obtain a watermark

JRM:lmp_11/6/07_P0962D PATENT

key, which in turn, is used to extract the digital watermark. Lawandy only suggests that information regarding the originator may be included in the watermark, and as result, Lawandy does not suggest that the information regarding the originator is used to obtain a watermark key.

The Office further cites page 1, paragraph 0008 of Lawandy as alleged further evidence of jurisdiction information. This paragraph states: "The security fiber is embedded in the paper on which the money is printed, and may include a human readable (albeit small) description of the currency imprinted on its surface [emphasis added]." Thus, Lawandy notes that a small description of the currency may be imprinted on the surface of the currency. Lawandy does not teach that the security fiber, itself, conveys a description of the currency. Even if it did, there is no suggestion that this description provides jurisdictional information, and there is no suggestion that the description is used to obtain a watermark key as claimed. Lawandy later refers to fibers as an example of a type of taggant (paragraph [0033]) and suggests that a taggant may be used as a key (paragraph [0048]). The disclosure of a currency including security fiber and being imprinted with information, such as a description of currency, has nothing to do with the separate use of a fiber as a taggant that may be used as a key to decode a digital watermark because there is no teaching that the human readable description printed on the currency has any relationship to a taggant made with the security fiber embedded in the currency. The description is imprinted on the currency embedded with a security fiber, and as such, does not correspond to the security fiber itself. Thus, the security fiber does not provide the description, nor is there any teaching that the description represents jurisdiction information used to obtain a watermark key.

Regarding claim 23, the Office further relies on Chen, but Chen does not provide the elements of claim 23 missing from Lawandy. Chen uses a pointer to look up a decryption key used in a process of verifying a digital signature to determine if it has been altered. Chen provides no teaching regarding the use of a key to extract a digital watermark. As such, one of ordinary skill in the art would not find useful teaching in Chen that would reasonably lead to modifying Lawandy in a manner that would suggest that the taggant in Lawandy should be used to obtain a watermark key as claimed.

JRM:lmp_11/6/07_P0962D PATENT

Regarding claim 31, the Office has cited a passage of Chen that generally refers to private-public key pairs, but the Office has not described how Chen specifically provides teachings that correspond to the elements of claim 31 acknowledged to be missing from Lawandy. Chen provides no teaching regarding watermarking keys, and the Office has not articulated how Chen's general reference to public private key pairs is relevant to claim 31. Thus, the Office has not established a prima facie case of obviousness.

Regarding claims 29 and 30, Hudson does not teach all of the elements missing from Lawandy as discussed above in connection with claim 21. Therefore, the combination does not teach all of the elements of these claims.

Therefore, the claims are patentable over the cited art.

Respectfully submitted,

DIGIMARC CORPORATION

/Joel R. Meyer/

CUSTOMER NUMBER 23735

Date: July 25, 2008

Phone: 503-469-4800 By_

FAX 503-469-4777 Joel R. Meyer Registration No. 37,677